

SERFF Tracking Number:	MEAD-125858291	State:	Arkansas
Filing Company:	ProCentury Insurance Company	State Tracking Number:	EFT \$50
Company Tracking Number:	PIC-AR-IRR-1008F		
TOI:	09.0 Inland Marine	Sub-TOI:	09.0005 Other Commercial Inland Marine
Product Name:	Irrigation Equipment		
Project Name/Number:	/		

Filing at a Glance

Company: ProCentury Insurance Company

Product Name: Irrigation Equipment

TOI: 09.0 Inland Marine

Sub-TOI: 09.0005 Other Commercial Inland Marine

Filing Type: Form

SERFF Tr Num: MEAD-125858291 State: Arkansas

SERFF Status: Closed

Co Tr Num: PIC-AR-IRR-1008F

Co Status:

Author: Maria Reinmann

Date Submitted: 10/21/2008

State Tr Num: EFT \$50

State Status: Fees verified and received

Reviewer(s): Betty Montesi, Llyweyia Rawlins

Disposition Date: 10/30/2008

Disposition Status: Approved

Effective Date (New): 10/30/2008

Effective Date (Renewal): 10/30/2008

Effective Date Requested (New): On Approval

Effective Date Requested (Renewal): On Approval

State Filing Description:

General Information

Project Name:

Project Number:

Reference Organization: ISO

Reference Title:

Filing Status Changed: 10/30/2008

State Status Changed: 10/24/2008

Corresponding Filing Tracking Number:

Filing Description:

ProCentury Insurance Company is authorized to write commercial lines insurance in your state. In addition, we are a member of Insurance Service Office, Inc. (ISO).

Status of Filing in Domicile: Authorized

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Company and Contact

Filing Contact Information

<i>SERFF Tracking Number:</i>	<i>MEAD-125858291</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Project Name/Number:</i>	<i>/</i>		

Maria Reinmann, 465 Cleveland Avenue Westerville, OH 43082	MReinmann@centurysurety.com (614) 839-7556 [Phone] (614) 896-7036[FAX]
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Filing Company Information

ProCentury Insurance Company 465 Cleveland Avenue Westerville, OH 43082 (614) 895-2000 ext. [Phone]	CoCode: 21903 Group Code: 959 Group Name: FEIN Number: 94-6078027 -----	State of Domicile: Texas Company Type: property & casualty State ID Number:
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Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	All form filings are \$50.
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
ProCentury Insurance Company	\$50.00	10/21/2008	23370752

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	10/30/2008	10/30/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	10/24/2008	10/24/2008	Maria Reinmann	10/30/2008	10/30/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Scheduled Irrigation Equipment Coverage Form	Form	Maria Reinmann	10/22/2008	10/22/2008
Policyholder Disclosure Notice of Terrorism	Form	Maria Reinmann	10/22/2008	10/22/2008
Policyholder Disclosure Acceptance/Rejection Notice	Form	Maria Reinmann	10/22/2008	10/22/2008
Mark up copies of form changes	Supporting Document	Maria Reinmann	10/22/2008	10/22/2008

<i>SERFF Tracking Number:</i>	<i>MEAD-125858291</i>	<i>State:</i>	<i>Arkansas</i>
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Mark up	Supporting Document	Maria Reinmann	10/21/2008	10/21/2008
copies of form				
changes				

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Project Name/Number: /

Disposition

Disposition Date: 10/30/2008

Effective Date (New): 10/30/2008

Effective Date (Renewal): 10/30/2008

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document (revised)	Mark up copies of form changes	Approved	Yes
Supporting Document	Mark up copies of form changes	Approved	No
Form	Scheduled Irrigation Equipment Coverage Form	Approved	Yes
Form	Commercial Inland Marine Common Policy Conditions	Approved	Yes
Form (revised)	Scheduled Irrigation Equipment Coverage Form	Approved	Yes
Form	Scheduled Irrigation Equipment Coverage Form	Approved	No
Form	Policyholder Disclosure Notice of Terrorism	Approved	Yes
Form	Policyholder Disclosure Acceptance/Rejection Notice	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/24/2008
Submitted Date 10/24/2008
Respond By Date 10/31/2008

Dear Maria Reinmann,

Form: SIM 1501 Commercial Inland Marine

The appraisal clause(s) found in this filing should be amended to comply with Ark. Code Ann. §23- 79-203 and Arkansas Bulletin No. 19-89. The clause(s) must specifically state it is non-binding and voluntary.

The applicable provision of the Arkansas Statute of Limitations of the Arkansas General Code, allows five (5) years in which to commence litigation for this insurance contract. You may amend by extending the time limit to five (5) years or by stating, "within the time allowed by law."

Sincerely,
Llyweyia Rawlins

Please feel free to contact me if you have questions.

Sincerely,
Llyweyia Rawlins

Response Letter

Response Letter Status Submitted to State
Response Letter Date 10/30/2008
Submitted Date 10/30/2008

Dear Llyweyia Rawlins,

Comments:

Response 1

Comments: ProCentury is a member of ISO and has adopted ISO forms which will be used in conjunction with our own independent forms.

ISO form IL 0163 (09/07) Arkansas Changes is a mandatory form for this program in your state. This form addresses the concerns you presented in your Objection letter. Please let me know if you need anything else.

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Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Maria Reinmann

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Amendment Letter

Amendment Date:

Submitted Date: 10/22/2008

Comments:

A few punctuation errors were noticed on the original SIM1504 10/08 that I sent in. They are corrected with the form attached here.

I also forgot to submit our terrorism disclosure forms.

Changed Items:

Form Schedule Item Changes:

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Scheduled Irrigation Equipment Coverage Form	SIM 1504	1008	Policy/C overage Form	Replaced	SIM 1504 0507	1319		SIM 1504 1008 Coverage Form - Scheduled Irrigation Equipment;.pdf

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Policyholder Disclosure Notice of Terrorism	TRIA 0001	10/08	Disclosu re/Notice	New				TRIA0001_10-08_ Terrorism Disclosure.pdf

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Policyholder Disclosure Acceptance/ Rejection Notice	TRIA 0002	01/08	Election/ Rejectio n/Supple mental Applicati ons	New				TRIA0002_01 - 08_Acceptanc e- Rejection.pdf

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TOI: 09.0 Inland Marine

Sub-TOI: 09.0005 Other Commercial Inland Marine

Product Name: Irrigation Equipment

Project Name/Number: /

Supporting Document Schedule Item Changes:

User Added -Name: Mark up copies of form changes

Comment:

SIM1500 mark up.pdf

SIM1501 mark up.pdf

SIM1504 mark up (1).pdf

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Product Name: Irrigation Equipment

Project Name/Number: /

Amendment Letter

Amendment Date:

Submitted Date: 10/21/2008

Comments:

I forgot to add the marked up copies of the forms for comparisons.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Mark up copies of form changes

Comment:

SIM1500 mark up.pdf

SIM1501 mark up.pdf

SIM1504 mark up.pdf

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Scheduled Irrigation Equipment Coverage Form	SIM 1500	1008	Declaration Replaced s/Schedule	Replaced Form #: SIM 1500 0306 Previous Filing #: 1319		SIM1500_10-08_ Inland Marine DEC.pdf
Approved	Commercial Inland Marine Common Policy Conditions	SIM 1501	1008	Endorsement/Amendment/Conditions	Replaced Form #: SIM 1501 0507 Previous Filing #: 1319		SIM1501_10-08_ Commercial Inland Marine Conditions _2_.pdf
Approved	Scheduled Irrigation Equipment Coverage Form	SIM 1504	1008	Policy/Coverage Form	Replaced Form #: SIM 1504 0507 Previous Filing #: 1319		SIM 1504 1008 Coverage Form - Scheduled Irrigation Equipment;.pdf
Approved	Policyholder Disclosure Notice of Terrorism	TRIA 0001	10/08	Disclosure/ New Notice			TRIA0001_10-08_ Terrorism Disclosure.pdf
Approved	Policyholder Disclosure Acceptance/Rejection Notice	TRIA 0002	01/08	Election/Re New jection/Sup plemental Application s			TRIA0002_01-08_Acceptance-Rejection.pdf

SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM DECLARATIONS

Policy No.: _____

Effective Date:_____

12:01 A.M. Standard Time

NAMED INSURED: _____

Loc	St	Section	Township	Range	County	Machinery and Equipment *	Loss Payee
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*as per SIM1504 1008 attached hereto.

Loc	Irrigation Equipment Description	Limits of Insurance	Deductible	Premium
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TOTAL INSURABLE VALUE: \$_____

TOTAL ANNUAL PREMIUM: \$_____

THE FOLLOWING ARE LIEN HOLDERS AS THEIR INTERESTS MAY APPEAR, WITH RESPECT TO
THE IRRIGATION EQUIPMENT SHOWN IN THE SCHEDULE ABOVE:

Payment Method:_____

Print Date:_____

Policy:_____

COMMERCIAL INLAND MARINE COMMON POLICY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Individual Commercial Inland Marine Coverage Forms.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of Individual Coverage Parts and Section **III. - Definitions** of this form.

I. LOSS CONDITIONS

A. ABANDONMENT

There can be no "abandonment" of any Covered Property to us. In the event of abandonment of any property that is covered by this insurance, the coverage for that property shall cease.

B. APPRAISAL

If we and you disagree on the value of the Covered Property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the Covered Property and amount of "loss". If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

C. DUTIES IN THE EVENT OF LOSS

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of "loss" that is not a Covered Cause of Loss. If feasible, set the damaged property aside and in the best possible order for examination.
5. You will not, except at your own cost, voluntarily make a payment, make a statement, assume any obligation, or incur any expense without our consent except as stated in **C.4.**, above.
6. As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within sixty (60) days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

E. LOSS PAYMENT

We will pay any "loss" covered under this Coverage Part within thirty (30) days after we receive a sworn proof of "loss" if you have complied with all the terms of this Coverage Part and:

1. We reach agreement with you on the amount of the "loss"; or
2. The entry of final judgment; or
3. The filing of an appraisal award has been made.

We will not pay you more than your financial interest in the Covered Property.

We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

We will not be liable for any part of a "loss" that has been paid by others.

F. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same "loss", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. PAIR, SETS OR PARTS

1. Pair or Set

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

2. Parts

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. PRIVILEGE TO ADJUST WITH OWNER

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

I. RECOVERIES

If either you or we recover any property after “loss” settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

J. SALVAGE

It is a condition of this insurance that in the event of loss or damage covered hereunder, we may, at our option, pay the amount stated under the Limit of Liability in the Schedule or the actual cash value (whichever is the lesser amount), less any applicable deductible, and such payment shall entitle us to all salvage resulting after such loss or damage.

It is agreed that you shall have the right to retain salvage in exchange for payment to us, or reduction in our loss payment to you, equal to the highest bid we obtain from salvors.

K. REINSTATEMENT OF LIMIT AFTER LOSS

The Limit of Insurance will not be reduced by the payment of any claim, except for total “loss” of a scheduled item. In case of a total “loss” of a scheduled item, premium will be considered fully earned and there will be no return premium to you.

L. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after “loss” to impair them. But you may waive your rights against another party in writing:

1. Prior to a “loss” to your Covered Property.
2. After a “loss” to your Covered Property only if, at time of “loss”, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

II. GENERAL CONDITIONS

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud, including intentional concealment or misrepresentation of a material fact by you or any other insured, at any time, concerning:

1. This Coverage Part; or
2. The Covered Property; or
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of "loss", the breach of condition does not exist.

C. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within two (2) years after you first have knowledge of the "loss".

D. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Coverage Property, will benefit from this insurance.

E. POLICY PERIOD, COVERAGE TERRITORY

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

The coverage territory is:

1. The United States of America (including its territories and possessions);
2. Puerto Rico; and
3. Canada.

However, the coverage territory does not include the 3 mile territorial waters and/or oceans adjacent to the coast of the United States of America, its territories and possessions and Puerto Rico.

F. BANKRUPTCY

Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of any obligation to which this insurance is applicable.

III. DEFINITIONS:

1. "Abandonment" means you have left and deserted the Covered Property completely to us or it has been physically repossessed by the finance company or loss payee.
2. "Loss" means damage or destruction of Covered Property:
 - a. Covered by coverage parts or forms made a part of this policy, and
 - b. From a Cause of Loss insured by such coverage part or form.

SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words “you” and “your” refer to the Named Insured shown on the Declarations. The word “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section, **E. DEFINITIONS**.

A. COVERAGE

In consideration of the premium paid as shown on the Declarations, we will pay for “loss” to Covered Property from any of the Covered Causes of Loss.

1. Covered Property

We cover your irrigation equipment, including its spare parts and accessories, set forth in the Schedule of Property shown on the Declarations up to the Limit of Insurance specified next to each such item in the Schedule.

2. Property Not Covered

We do not cover:

- a. Automobiles, motor trucks, tractors, trailers or motorcycles designed and principally used to transport property or persons over public roads, aircraft or watercraft;
- b. Property while “underground”, underwater, airborne or waterborne, except while in transit in the custody of a carrier for hire. But we will pay for underground wiring, underground pumps, well casings and pipe, which are essential for the operation of the overall system of irrigation equipment scheduled on the Declarations;
- c. Property while leased, loaned or rented to others unless such property is installed on land also being rented or leased to others by you and is in the Schedule of Property shown on the Declarations; or
- d. Contraband or property in the course of illegal transportation or trade.

3. Covered Causes of Loss

We cover risks of direct physical “loss” or damage to Covered Property from any external cause except those causes of “loss” listed in the exclusions.

4. Additional Coverages

a. Leased, Rented or Borrowed Irrigation Equipment

We cover the risks of direct physical “loss” or damage caused by you and for which you are legally responsible, from any external cause except those causes of “loss” listed in the exclusions to irrigation equipment you may lease, rent or borrow from others, not to exceed \$25,000 in total for leased, rented or borrowed irrigation equipment which is not otherwise listed in the Schedule of Property shown on the Declarations. However, under the written terms and conditions of the lease, rental or loan agreement, you must be responsible for damage to such equipment.

This Additional Coverage is available to you for 30 days. After 30 days you must report the acquisition of the equipment to us so that we may add the equipment to the Schedule of Property and make a premium charge.

b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- (2) The most we will pay under this Additional Coverage is \$25,000.

c. Fire Department Service Charges

- (1) We cover the charges you assume by contract or agreement executed prior to "loss", or charges you are required to pay by local ordinance if the local fire department is called to save or protect your covered irrigation equipment from direct physical "loss" or damage caused by or resulting from a Covered Cause of Loss.
- (2) The most we will pay under this Additional Coverage is \$10,000.

d. Pollution Clean Up and Removal

We will pay your expenses to extract "pollutants" from land, air, water or covered property at the insured's premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the "loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land, air, water or Covered Property.

The most we will pay under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss during each separate twelve (12) month period of this policy.

We will not pay, under this Additional Coverage, your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

5. Coverage Extension

The Limit of Insurance for the following Coverage Extension is included within the Limits of Insurance applicable to the irrigation equipment listed on the Declarations.

Newly Acquired Irrigation Equipment

If during the policy period you acquire additional irrigation equipment, we will cover such additional equipment for up to 60 days after you acquire it or until the policy ends, whichever is sooner. We will cover such additional equipment for up to:

- (1) 25% of the total Limit of Insurance shown on the Declarations; or
- (2) \$50,000, whichever is the least amount.

You agree to report the value of such equipment to us within the 60 day period and to pay additional premium from the date you acquire it.

B. EXCLUSIONS

1. We will not pay for a “loss” caused directly or indirectly by any of the following. Such “loss” is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the “loss”.

- a. **Governmental Action**

- Seizure or destruction of property by order of governmental authority.

- But we will pay for “loss” caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

- b. **Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation or radioactive contamination from any other cause.

- But we will pay for direct “loss” caused by resulting fire if the fire would be covered under this coverage form.

- c. **War and Military Action**

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by government authority in hindering or defending against any of these events.

- d. **Pollution**

- The discharge, dispersal, seepage, migration, release or escape of “pollutants”, except as provided in the Additional Coverages, Section A., paragraph 4.d. above.

2. We will not pay for a “loss” caused by or resulting from:

- a. Delay, loss of use, loss of market or any other consequential loss;

- b. Unexplained disappearance where there is no evidence of theft,

- c. Shortage found upon taking inventory

- d. Freezing, unless you drain the irrigation equipment and shut off the water supply.

- e. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or

- (2) Whether or not occurring during the hours of employment.

- But this exclusion does not apply to property in the custody of a carrier for hire which is not a company you manage or own.

3. We will not pay for a "loss" caused by or resulting from any of the following. But if a "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss" except if the "loss" results from a lack of reasonable maintenance,
 - a. Gradual deterioration, wear and tear, hidden or latent defect, rust, corrosion, mold or any quality in the property which causes it to damage or destroy itself; or
 - b. Rust, oxidation, discoloration or corrosion.

C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown on the Declarations.

The most we will pay for any non-refundable extended warranty and maintenance or service contract is the pro-rated unused portion which may no longer be valid and that you have purchased on the property lost or damaged by a Covered Cause of Loss.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Policy Conditions.

1. Deductible

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limit of Insurance exceeds the deductible shown on the Declarations. We will then pay the amount of the adjusted "loss" in excess of the deductible, up to the applicable Limit of Insurance.

2. Valuation

- a. If the Limit of Insurance on the damaged Covered Property is at least 90% of its full replacement cost at policy inception we will settle the "loss" based on the smallest of the following amount:

- (1) The cost to replace the damaged part of the Covered Property with material of like kind and quality for like use;
- (2) The amount actually and necessarily spent to repair or replace the Covered Property; or
- (3) The applicable Limit of Insurance.

If you do not repair or replace the property lost or damaged by a Covered Cause of Loss, the irrigation equipment will be valued at actual cash value. Actual cash value is the amount it would cost to repair or replace with equipment of like kind and quality, less an allowance for depreciation and physical deterioration. However, if you replace or commence repair of such property within twelve (12) months from the date of "loss", we will pay you the difference between the actual cash value previously paid and the full cost to repair or replace such property.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph (1) or (2) above applies.

- b. If the Limit of Insurance on the damaged Covered Property is less than 90% of its full replacement cost at policy inception we will settle on the basis of paragraph **(1)** or **(2)** below, whichever is larger:
- (1)** The actual cash value, as of time of "loss", of the damage part of the Covered Property; or
 - (2)** A proportion of the cost to repair or replace the damaged part of the Covered Property, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 90% of the cost to repair or replacement.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph **(1)** or **(2)** above applies.

If this policy insures two or more items, this condition shall apply to each item separately.

E. DEFINITIONS

- 1. **"Loss"** means accidental damage to Covered Property from a Covered Cause of Loss .
- 2. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. **"Underground"** means under the surface of the ground, including but not limited to, shafts, tunnels and mines.

NOTE TO AGENT:

It is required by federal law that you provide this document to the insured.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

THIS IS NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER THE POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT, MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE THE COVERAGE AND THE POLICYHOLDER HAS BEEN NOTIFIED OF THE PORTION OF THE PREMIUM ATTRIBUTABLE TO SUCH COVERAGE

The portion of your annual premium that is attributable to coverage for acts of terrorism is:

Property	\$
Inland Marine	\$
Crime	\$ Excluded
General Liability	\$
Garage	\$ Excluded
	\$
	\$
Total	\$

Name of Insurer: _____

Policy Number: _____

NOTE TO AGENT: It is required by federal law that you provide this document to the insured or prospective insured

POLICYHOLDER DISCLOSURE ACCEPTANCE/REJECTION NOTICE

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

THIS IS NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER THE POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT, MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE THE COVERAGE AND THE POLICYHOLDER HAS BEEN NOTIFIED OF THE PORTION OF THE PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

The portion of your annual premium that is attributable to coverage for acts of terrorism is: \$ _____

- ☐ I hereby accept the purchase of Terrorism coverage as explained above.
- ☐ I hereby reject the purchase of Terrorism coverage as explained above and request a total exclusion of Terrorism coverage from be added to my policy. I understand that I will have no coverage for losses arising from acts of terrorism that would have been covered by TRIA or any other acts of terrorism. I agree to a total exclusion of any coverage for any acts of terrorism.

Policyholder/Applicant's Signature

Insurance Company

Print Name

Quote/Policy Number

Date

SERFF Tracking Number: MEAD-125858291

State: Arkansas

Filing Company: ProCentury Insurance Company

State Tracking Number: EFT \$50

Company Tracking Number: PIC-AR-IRR-1008F

TOI: 09.0 Inland Marine

Sub-TOI: 09.0005 Other Commercial Inland Marine

Product Name: Irrigation Equipment

Project Name/Number: /

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: MEAD-125858291

State: Arkansas

Filing Company: ProCentury Insurance Company

State Tracking Number: EFT \$50

Company Tracking Number: PIC-AR-IRR-1008F

TOI: 09.0 Inland Marine

Sub-TOI: 09.0005 Other Commercial Inland Marine

Product Name: Irrigation Equipment

Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty

Review Status:

Approved 10/30/2008

Comments:

Attachment:

Tranmittal Form.pdf

Satisfied -Name: Mark up copies of form changes

Review Status:

Approved 10/30/2008

Comments:

Attachments:

SIM1500 mark up.pdf

SIM1501 mark up.pdf

SIM1504 mark up (1).pdf

Filing information (see General Instructions for descriptions of these fields)				
9.	Type of Insurance (TOI)			
10.	Sub-Type of Insurance (Sub-TOI)			
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]			
12.	Company Program Title (Marketing title)			
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)		
14.	Effective Date(s) Requested	New:		Renewal:
15.	Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
16.	Reference Organization (if applicable)			
17.	Reference Organization # & Title			
18.	Company's Date of Filing			
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved		

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<div style="height: 600px; position: relative;"> <div style="position: absolute; top: 10%; left: 10%;"> <p>Check #:</p> <p>Amount:</p> </div> <div style="position: absolute; bottom: 10%; right: 10%; background-color: black; color: white; padding: 10px; width: fit-content;"> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p> </div> </div>	

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #				
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)				
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
-----------	---	--

☐ Rate Increase ☐ Rate Decrease ☐ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

4a.	Rate Change by Company (As Proposed)
------------	---

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b.	Rate Change by Company (As Accepted) For State Use Only
------------	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5.	Overall Rate Information (Complete for Multiple Company Filings only)
-----------	--

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
-----------	---	--

7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
-----------	---	--

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		[] New [] Replacement [] Withdrawn	
02		[] New [] Replacement [] Withdrawn	
03		[] New [] Replacement [] Withdrawn	

SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM
DECLARATIONS

Policy No.: _____ Effective Date: _____ 12:01 A.M. Standard Time

NAMED INSURED: _____

<u>Loc</u>	<u>St</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>	<u>Machinery and Equipment *</u>	<u>Loss Payee</u>
------------	-----------	----------------	-----------------	--------------	---------------	--	-------------------

*as per SIM1504 1008 attached hereto.

<u>Loc</u>	<u>Irrigation Equipment Description</u>	<u>Limits of Insurance</u>	<u>Deductible</u>	<u>Premium</u>
------------	---	--------------------------------	-------------------	----------------

TOTAL INSURABLE VALUE: \$ _____

TOTAL ANNUAL PREMIUM: \$ _____

THE FOLLOWING ARE LIEN HOLDERS AS THEIR INTERESTS MAY APPEAR, WITH RESPECT TO
THE IRRIGATION EQUIPMENT SHOWN IN THE SCHEDULE ABOVE:

Payment Method: _____

Print Date: _____

Policy: _____

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Mid-America Risk Managers, Inc.
5036 S. 136th Street
Omaha, NE 68137
Inland Marine Declarations Page 1
of 2
Effective Date: .

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Deleted: . Policy period from 12:01am
CST on: to 12:01am CST on: at the
Residence Premises of the Named
Insured.
Named . Agent: .
Insured: . Agency: .
Occupied By: . Insured . Print Date: .
Loc State Section Township Ran
ge County M & E Loss Payee

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Deleted: Loc Deductible Coverag
e Premium
... [1]

COMMERCIAL INLAND MARINE COMMON POLICY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Individual Commercial Inland Marine Coverage Forms.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of Individual Coverage Parts and Section **III - Definitions** of this form.

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I. LOSS CONDITIONS

A. ABANDONMENT

There can be no "abandonment" of any Covered Property to us. In the event of abandonment of any property that is covered by this insurance, the coverage for that property shall cease.

B. APPRAISAL

If we and you disagree on the value of the Covered Property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the Covered Property and amount of "loss". If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

C. DUTIES IN THE EVENT OF LOSS

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of "loss" that is not a Covered Cause of Loss. If feasible, set the damaged property aside and in the best possible order for examination.
5. You will not, except at your own cost, voluntarily make a payment, make a statement, assume any obligation, or incur any expense without our consent except as stated in **C.4.**, above.
6. As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

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8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within sixty (60) days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

E. LOSS PAYMENT

We will pay any "loss" covered under this Coverage Part within thirty (30) days after we receive a sworn proof of "loss" if you have complied with all the terms of this Coverage Part and:

1. We reach agreement with you on the amount of the "loss"; or
2. The entry of final judgment; or
3. The filing of an appraisal award has been made.

We will not pay you more than your financial interest in the Covered Property.

We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

We will not be liable for any part of a "loss" that has been paid by others.

F. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same "loss", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. PAIR, SETS OR PARTS

1. Pair or Set

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In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

2. Parts

Deleted: .

In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. PRIVILEGE TO ADJUST WITH OWNER

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

I. RECOVERIES

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If either you or we recover any property after "loss" settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

J. SALVAGE

It is a ~~condition~~ of this ~~insurance~~ that in the event of loss or damage covered hereunder, we may, at our option, pay the amount stated under the Limit of Liability in the Schedule or the actual cash value (whichever is the lesser amount), less any applicable deductible, and such payment shall entitle us to all salvage resulting after such loss or damage.

Deleted: Condition

Deleted: Insurance

It is agreed that you shall have the right to retain salvage in exchange for payment to us, or reduction in our loss payment to you, equal to the highest bid we obtain from salvors.

K. REINSTATEMENT OF LIMIT AFTER LOSS

The Limit of Insurance will not be ~~reduced~~ by the payment of any claim, except for total "loss" of a scheduled item. ~~In case of a total "loss" of a scheduled item, premium will be considered fully earned and there will be no return premium to you.~~

Deleted: reduce

Deleted: , in which event we will refund the unearned premium on that item

L. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them. But you may waive your rights against another party in writing:

1. Prior to a "loss" to your Covered Property.
2. After a "loss" to your Covered Property only if, at time of "loss", that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

II. GENERAL CONDITIONS

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud, including intentional concealment or misrepresentation of a material fact by you or any other insured, at any time, concerning:

1. This Coverage Part; or
2. The Covered Property; or
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of "loss", the breach of condition does not exist.

C. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within two (2) years after you first have knowledge of the "loss".

D. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Coverage Property, will benefit from this insurance.

E. POLICY PERIOD, COVERAGE TERRITORY

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

The coverage territory is:

1. The United States of America (including its territories and possessions);
2. Puerto Rico; and
3. Canada.

However, the coverage territory does not include the 3 mile territorial waters and/or oceans adjacent to the coast of the United States of America, its territories and possessions and Puerto Rico.

F. BANKRUPTCY

Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of any obligation to which this insurance is applicable.

Deleted: G. .

III. DEFINITIONS:

1. "Abandonment" means you have left and deserted the Covered Property completely to us or it has been physically repossessed by the finance company or loss payee.
2. "Loss" means damage or destruction of Covered Property:
 - a. Covered by coverage parts or forms made a part of this policy, and
 - b. From a Cause of Loss insured by such coverage part or form.

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SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown on the Declarations. The word "we", "us" and "our" refer to the Company providing this insurance.

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Other words and phrases that appear in quotation marks have special meaning. Refer to Section **E**. DEFINITIONS.

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A. COVERAGE

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In consideration of the premium paid as shown on the Declarations, we will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

Deleted: covered property

Deleted: covered causes

Deleted: loss

1. Covered Property

We cover your irrigation equipment, including its spare parts and accessories, set forth in the Schedule of Property shown on the Declarations up to the Limit of Insurance specified next to each such item in the Schedule.

Deleted: schedule

Deleted: property

Deleted: limit

Deleted: insurance

Deleted: schedule

2. Property Not Covered

We do not cover:

- Automobiles, motor trucks, tractors, trailers or motorcycles designed and principally used to transport property or persons over public roads, aircraft or watercraft;
- Property while "underground", underwater, airborne or waterborne, except while in transit in the custody of a carrier for hire. But we will pay for underground wiring, underground pumps, well casings and pipe, which are essential for the operation of the overall system of irrigation equipment scheduled on the Declarations;
- Property while leased, loaned or rented to others unless such property is installed on land also being rented or leased to others by you and is in the Schedule of Property shown on the Declarations; or
- Contraband or property in the course of illegal transportation or trade.

Deleted: declarations

Deleted: schedule

Deleted: property

3. Covered Causes of Loss

We cover risks of direct physical "loss" or damage to Covered Property from any external cause except those causes of "loss" listed in the exclusions.

Deleted: covered property

4. Additional Coverages

a. Leased, Rented or Borrowed Irrigation Equipment

We cover the risks of direct physical "loss" or damage caused by you and for which you are legally responsible, from any external cause except those causes of "loss" listed in the exclusions to irrigation equipment you may lease, rent or borrow from others, not to exceed \$25,000 in total for leased, rented or borrowed irrigation equipment which is not otherwise listed in the Schedule of Property shown on the Declarations. However, under the written terms and conditions of the lease, rental or loan agreement, you must be responsible for damage to such equipment.

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This Additional Coverage is available to you for 30 days. After 30 days you must report the acquisition of the equipment to us so that we may add the equipment to the Schedule of Property and make a premium charge.

Debris Removal

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- (2) The most we will pay under this Additional Coverage is \$25,000.

c. Fire Department Service Charges

- (1) We cover the charges you assume by contract or agreement executed prior to "loss", or charges you are required to pay by local ordinance if the local fire department is called to save or protect your covered irrigation equipment from direct physical "loss" or damage caused by or resulting from a Covered Cause of Loss.
- (2) The most we will pay under this Additional Coverage is \$10,000.

d. Pollution Clean Up and Removal

We will pay your expenses to extract "pollutants" from land, air, water or covered property at the insured's premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the "loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land, air, water or Covered Property.

The most we will pay under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss during each separate twelve (12) month period of this policy.

We will not pay, under this Additional Coverage, your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

5. Coverage Extension

The Limit of Insurance for the following Coverage Extension is included within the Limits of Insurance applicable to the irrigation equipment listed on the Declarations.

Newly Acquired Irrigation Equipment

If during the policy period you acquire additional irrigation equipment, we will cover such additional equipment for up to 60 days after you acquire it or until the policy ends, whichever is sooner. We will cover such additional equipment for up to:

- (1) 25% of the total Limit of Insurance shown on the Declarations; or
- (2) \$50,000, whichever is the least amount.

You agree to report the value of such equipment to us within the 60 day period and to pay additional premium from the date you acquire it.

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<#>Care, Custody or Control¶
We will cover your legal liability for damage to irrigation equipment owned by others, not leased, rented or borrowed by you, while located on property in your care, custody and control that occurs as a result of a Covered Cause of Loss. The most that we will pay for "loss" or damage under this coverage is \$25,000 subject to the Deductible, and all other policy provisions.¶
Care, Custody and Control coverage does not apply to owned leased, rented or borrowed irrigation equipment.

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EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

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a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

b. Nuclear Hazard

(1) Any weapon employing atomic fission or fusion; or

(2) Nuclear reaction or radiation or radioactive contamination from any other cause.

But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this coverage form.

c. War and Military Action

(1) War, including undeclared or civil war;

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(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

Deleted: (2)

(3) Insurrection, rebellion, revolution, usurped power or action taken by government authority in hindering or defending against any of these events.

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d. Pollution

The discharge, dispersal, seepage, migration, release or escape of "pollutants", except as provided in the Additional Coverages, **Section A.**, paragraph 4.d. above.

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2. We will not pay for a "loss" caused by or resulting from:

a. Delay, loss of use, loss of market or any other consequential loss;

b. Unexplained disappearance where there is no evidence of theft;

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c. Shortage found upon taking inventory;

d. Freezing, unless you drain the irrigation equipment and shut off the water supply;

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e. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

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(1) Acting alone or in collusion with others; or

(2) Whether or not occurring during the hours of employment;

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But this exclusion does not apply to property in the custody of a carrier for hire which is not a company you manage or own.

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3. We will not pay for a "loss" caused by or resulting from any of the following. But if a "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss" except if the "loss" results from a lack of reasonable maintenance.
- Gradual deterioration, wear and tear, hidden or latent defect, rust, corrosion, mold or any quality in the property which causes it to damage or destroy itself; or
 - Rust, oxidation, discoloration or corrosion.

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C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown on the Declarations.

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The most we will pay for any non-refundable extended warranty and maintenance or service contract is the pro-rated unused portion which may no longer be valid and that you have purchased on the property lost or damaged by a Covered Cause of Loss.

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D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Policy Conditions.

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1. Deductible

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We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limit of Insurance exceeds the deductible shown on the Declarations. We will then pay the amount of the adjusted "loss" in excess of the deductible, up to the applicable Limit of Insurance.

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2. Valuation

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- If the Limit of Insurance on the damaged Covered Property is at least 90% of its full replacement cost at policy inception we will settle the "loss" based on the smallest of the following amounts:

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- The cost to replace the damaged part of the Covered Property with material of like kind and quality for like use;

Deleted: covered property

- The amount actually and necessarily spent to repair or replace the Covered Property; or

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- The applicable Limit of Insurance.

If you do not repair or replace the property lost or damaged by a Covered Cause of Loss, the irrigation equipment will be valued at actual cash value. Actual cash value is the amount it would cost to repair or replace with equipment of like kind and quality, less an allowance for depreciation and physical deterioration. However, if you replace or commence repair of such property within twelve (12) months from the date of "loss", we will pay you the difference between the actual cash value previously paid and the full cost to repair or replace such property.

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However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph (1) or (2) above applies.

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- b. If the Limit of Insurance on the damaged Covered Property is less than 90% of its full replacement cost at policy inception we will settle on the basis of paragraph (1) or (2) below, whichever is larger:

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- (1) The actual cash value, as of time of "loss", of the damage part of the Covered Property; or

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- (2) A proportion of the cost to repair or replace the damaged part of the Covered Property, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 90% of the cost to repair or replacement.

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However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph (1) or (2) above applies.

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If this policy insures two or more items, this condition shall apply to each item separately.

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E. DEFINITIONS

1. "Loss" means accidental damage to Covered Property from a Covered Cause of Loss .
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Underground" means under the surface of the ground, including but not limited to: shafts, tunnels and mines.

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<i>SERFF Tracking Number:</i>	<i>MEAD-125858291</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>ProCentury Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>PIC-AR-IRR-1008F</i>		
<i>TOI:</i>	<i>09.0 Inland Marine</i>	<i>Sub-TOI:</i>	<i>09.0005 Other Commercial Inland Marine</i>
<i>Product Name:</i>	<i>Irrigation Equipment</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Scheduled Irrigation Equipment Coverage Form	10/21/2008	SIM 1504 1008 Coverage Form - Scheduled Irrigation Equipment;.pdf
No original date	Supporting Document	Mark up copies of form changes	10/21/2008	SIM1500 mark up.pdf SIM1501 mark up.pdf SIM1504 mark up.pdf

SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words “you” and “your” refer to the Named Insured shown on the Declarations. The word “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section, **E. DEFINITIONS**.

A. COVERAGE

In consideration of the premium paid as shown on the Declarations, we will pay for “loss” to Covered Property from any of the Covered Causes of Loss.

1. Covered Property

We cover your irrigation equipment, including its spare parts and accessories, set forth in the Schedule of Property shown on the Declarations up to the Limit of Insurance specified next to each such item in the Schedule.

2. Property Not Covered

We do not cover:

- a. Automobiles, motor trucks, tractors, trailers or motorcycles designed and principally used to transport property or persons over public roads, aircraft or watercraft;
- b. Property while “underground”, underwater, airborne or waterborne, except while in transit in the custody of a carrier for hire. But we will pay for underground wiring, underground pumps, well casings and pipe, which are essential for the operation of the overall system of irrigation equipment scheduled on the Declarations;
- c. Property while leased, loaned or rented to others unless such property is installed on land also being rented or leased to others by you and is in the Schedule of Property shown on the Declarations; or
- d. Contraband or property in the course of illegal transportation or trade.

3. Covered Causes of Loss

We cover risks of direct physical “loss” or damage to Covered Property from any external cause except those causes of “loss” listed in the exclusions.

4. Additional Coverages

a. Leased, Rented or Borrowed Irrigation Equipment

We cover the risks of direct physical “loss” or damage caused by you and for which you are legally responsible, from any external cause except those causes of “loss” listed in the exclusions to irrigation equipment you may lease, rent or borrow from others, not to exceed \$25,000 in total for leased, rented or borrowed irrigation equipment which is not otherwise listed in the Schedule of Property shown on the Declarations. However, under the written terms and conditions of the lease, rental or loan agreement, you must be responsible for damage to such equipment.

This Additional Coverage is available to you for 30 days. After 30 days you must report the acquisition of the equipment to us so that we may add the equipment to the Schedule of Property and make a premium charge.

b. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- (2) The most we will pay under this Additional Coverage is \$25,000.

c. Fire Department Service Charges

- (1) We cover the charges you assume by contract or agreement executed prior to "loss", or charges you are required to pay by local ordinance if the local fire department is called to save or protect your covered irrigation equipment from direct physical "loss" or damage caused by or resulting from a Covered Cause of Loss.
- (2) The most we will pay under this Additional Coverage is \$10,000.

d. Pollution Clean Up and Removal

We will pay your expenses to extract "pollutants" from land, air, water or covered property at the insured's premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the "loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land, air, water or Covered Property.

The most we will pay under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss during each separate twelve (12) month period of this policy.

We will not pay, under this Additional Coverage, your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

5. Coverage Extension

The Limit of Insurance for the following Coverage Extension is included within the Limits of Insurance applicable to the irrigation equipment listed on the Declarations.

Newly Acquired Irrigation Equipment

If during the policy period you acquire additional irrigation equipment, we will cover such additional equipment for up to 60 days after you acquire it or until the policy ends, whichever is sooner. We will cover such additional equipment for up to:

- (1) 25% of the total Limit of Insurance shown on the Declarations; or
- (2) \$50,000, whichever is the least amount.

You agree to report the value of such equipment to us within the 60 day period and to pay additional premium from the date you acquire it.

B. EXCLUSIONS

1. We will not pay for a “loss” caused directly or indirectly by any of the following. Such “loss” is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the “loss”.

- a. **Governmental Action**

- Seizure or destruction of property by order of governmental authority.

- But we will pay for “loss” caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

- b. **Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation or radioactive contamination from any other cause.

- But we will pay for direct “loss” caused by resulting fire if the fire would be covered under this coverage form.

- c. **War and Military Action**

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by government authority in hindering or defending against any of these events.

- d. **Pollution**

- The discharge, dispersal, seepage, migration, release or escape of “pollutants”, except as provided in the Additional Coverages, Section **A.**, paragraph **4.d.** above.

2. We will not pay for a “loss” caused by or resulting from:

- a. Delay, loss of use, loss of market or any other consequential loss;

- b. Unexplained disappearance where there is no evidence of theft,

- c. Shortage found upon taking inventory

- d. Freezing, unless you drain the irrigation equipment and shut off the water supply.

- e. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or

- (2) Whether or not occurring during the hours of employment.

- But this exclusion does not apply to property in the custody of a carrier for hire which is not a company you manage or own.

3. We will not pay for a "loss" caused by or resulting from any of the following. But if a "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss" except if the "loss" results from a lack of reasonable maintenance,
 - a. Gradual deterioration, wear and tear, hidden or latent defect, rust, corrosion, mold or any quality in the property which causes it to damage or destroy itself; or
 - b. Rust, oxidation, discoloration or corrosion.

C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown on the Declarations.

The most we will pay for any non-refundable extended warranty and maintenance or service contract is the pro-rated unused portion which may no longer be valid and that you have purchased on the property lost or damaged by a Covered Cause of Loss.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Policy Conditions.

1. Deductible

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limit of Insurance exceeds the deductible shown on the Declarations. We will then pay the amount of the adjusted "loss" in excess of the deductible, up to the applicable Limit of Insurance.

2. Valuation

- a. If the Limit of Insurance on the damaged Covered Property is at least 90% of its full replacement cost at policy inception we will settle the "loss" based on the smallest of the following amount:

- (1) The cost to replace the damaged part of the Covered Property with material of like kind and quality for like use;
- (2) The amount actually and necessarily spent to repair or replace the Covered Property; or
- (3) The applicable Limit of Insurance.

If you do not repair or replace the property lost or damaged by a Covered Cause of Loss, the irrigation equipment will be valued at actual cash value. Actual cash value is the amount it would cost to repair or replace with equipment of like kind and quality, less an allowance for depreciation and physical deterioration. However, if you replace or commence repair of such property within twelve (12) months from the date of "loss", we will pay you the difference between the actual cash value previously paid and the full cost to repair or replace such property.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph (1) or (2) above applies.

- b. If the Limit of Insurance on the damaged Covered Property is less than 90% of its full replacement cost at policy inception we will settle on the basis of paragraph **(1)** or **(2)** below, whichever is larger:

- (1)** The actual cash value, as of time of "loss", of the damage part of the Covered Property; or
- (2)** A proportion of the cost to repair or replace the damaged part of the Covered Property, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 90% of the cost to repair or replacement.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph **(1)** or **(2)** above applies.

If this policy insures two or more items, this condition shall apply to each item separately.

E. DEFINITIONS

- 1. **"Loss"** means accidental damage to Covered Property from a Covered Cause of Loss .
- 2. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. **"Underground"** means under the surface of the ground, including but not limited to, shafts, tunnels and mines.

SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM
DECLARATIONS

Policy No.: _____ Effective Date: _____ 12:01 A.M. Standard Time

NAMED INSURED: _____

<u>Loc</u>	<u>St</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>	<u>Machinery and Equipment *</u>	<u>Loss Payee</u>
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*as per SIM1504 1008 attached hereto.

<u>Loc</u>	<u>Irrigation Equipment Description</u>	<u>Limits of Insurance</u>	<u>Deductible</u>	<u>Premium</u>
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TOTAL INSURABLE VALUE: \$ _____

TOTAL ANNUAL PREMIUM: \$ _____

THE FOLLOWING ARE LIEN HOLDERS AS THEIR INTERESTS MAY APPEAR, WITH RESPECT TO
THE IRRIGATION EQUIPMENT SHOWN IN THE SCHEDULE ABOVE:

Payment Method: _____

Print Date: _____

Policy: _____

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Mid-America Risk Managers, Inc.
5036 S. 136th Street
Omaha, NE 68137
Inland Marine Declarations Page 1
of 2
Effective Date: .

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Deleted: . Policy period from 12:01am
CST on: to 12:01am CST on: at the
Residence Premises of the Named
Insured.
Named . Agent: .
Insured: . Agency: .
Occupied By: . Insured . Print Date: .
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ge County M & E Loss Payee

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COMMERCIAL INLAND MARINE COMMON POLICY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Individual Commercial Inland Marine Coverage Forms.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of Individual Coverage Parts and Section **III - Definitions** of this form.

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I. LOSS CONDITIONS**A. ABANDONMENT**

There can be no "abandonment" of any Covered Property to us. In the event of abandonment of any property that is covered by this insurance, the coverage for that property shall cease.

B. APPRAISAL

If we and you disagree on the value of the Covered Property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the Covered Property and amount of "loss". If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

C. DUTIES IN THE EVENT OF LOSS

You must see that the following are done in the event of "loss" to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the "loss". Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the "loss" occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" resulting from a cause of "loss" that is not a Covered Cause of Loss. If feasible, set the damaged property aside and in the best possible order for examination.
5. You will not, except at your own cost, voluntarily make a payment, make a statement, assume any obligation, or incur any expense without our consent except as stated in **C.4.**, above.
6. As often as may be reasonably required, permit us to inspect the property proving the "loss" and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

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8. Send us a signed, sworn statement of "loss" containing the information we request to settle the claim. You must do this within sixty (60) days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

E. LOSS PAYMENT

We will pay any "loss" covered under this Coverage Part within thirty (30) days after we receive a sworn proof of "loss" if you have complied with all the terms of this Coverage Part and:

1. We reach agreement with you on the amount of the "loss"; or
2. The entry of final judgment; or
3. The filing of an appraisal award has been made.

We will not pay you more than your financial interest in the Covered Property.

We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

We will not be liable for any part of a "loss" that has been paid by others.

F. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same "loss", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. PAIR, SETS OR PARTS

1. Pair or Set

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In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

2. Parts

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In case of "loss" to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. PRIVILEGE TO ADJUST WITH OWNER

In the event of "loss" involving property of others in your care, custody or control, we have the right to:

1. Settle the "loss" with the owners of the property. A receipt for payment from owners of that property will satisfy any claim of yours.
2. Provide a defense for legal proceedings brought against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance.

I. RECOVERIES

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If either you or we recover any property after "loss" settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

J. SALVAGE

It is a ~~condition~~ of this ~~insurance~~ that in the event of loss or damage covered hereunder, we may, at our option, pay the amount stated under the Limit of Liability in the Schedule or the actual cash value (whichever is the lesser amount), less any applicable deductible, and such payment shall entitle us to all salvage resulting after such loss or damage.

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Deleted: Insurance

It is agreed that you shall have the right to retain salvage in exchange for payment to us, or reduction in our loss payment to you, equal to the highest bid we obtain from salvors.

K. REINSTATEMENT OF LIMIT AFTER LOSS

The Limit of Insurance will not be ~~reduced~~ by the payment of any claim, except for total "loss" of a scheduled item. ~~In case of a total "loss" of a scheduled item, premium will be considered fully earned and there will be no return premium to you.~~

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L. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them. But you may waive your rights against another party in writing:

1. Prior to a "loss" to your Covered Property.
2. After a "loss" to your Covered Property only if, at time of "loss", that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

II. GENERAL CONDITIONS

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud, including intentional concealment or misrepresentation of a material fact by you or any other insured, at any time, concerning:

1. This Coverage Part; or
2. The Covered Property; or
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of "loss", the breach of condition does not exist.

C. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within two (2) years after you first have knowledge of the "loss".

D. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Coverage Property, will benefit from this insurance.

E. POLICY PERIOD, COVERAGE TERRITORY

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

The coverage territory is:

1. The United States of America (including its territories and possessions);
2. Puerto Rico; and
3. Canada.

However, the coverage territory does not include the 3 mile territorial waters and/or oceans adjacent to the coast of the United States of America, its territories and possessions and Puerto Rico.

F. BANKRUPTCY

Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of any obligation to which this insurance is applicable.

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III. DEFINITIONS:

1. "Abandonment" means you have left and deserted the Covered Property completely to us or it has been physically repossessed by the finance company or loss payee.
2. "Loss" means damage or destruction of Covered Property:
 - a. Covered by coverage parts or forms made a part of this policy, and
 - b. From a Cause of Loss insured by such coverage part or form.

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SCHEDULED IRRIGATION EQUIPMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown on the Declarations. The word "we", "us" and "our" refer to the Company providing this insurance.

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Other words and phrases that appear in quotation marks have special meaning. Refer to Section **E.** DEFINITIONS.

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A. COVERAGE

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In consideration of the premium paid as shown on the Declarations, we will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

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1. Covered Property

We cover your irrigation equipment, including its spare parts and accessories, set forth in the Schedule of Property shown on the Declarations up to the Limit of Insurance specified next to each such item in the Schedule.

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2. Property Not Covered

We do not cover:

- Automobiles, motor trucks, tractors, trailers or motorcycles designed and principally used to transport property or persons over public roads, aircraft or watercraft;
- Property while "underground", underwater, airborne or waterborne, except while in transit in the custody of a carrier for hire. But we will pay for underground wiring, underground pumps, well casings and pipe, which are essential for the operation of the overall system of irrigation equipment scheduled on the Declarations;
- Property while leased, loaned or rented to others unless such property is installed on land also being rented or leased to others by you and is in the Schedule of Property shown on the Declarations; or
- Contraband or property in the course of illegal transportation or trade.

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3. Covered Causes of Loss

We cover risks of direct physical "loss" or damage to Covered Property from any external cause except those causes of "loss" listed in the exclusions.

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4. Additional Coverages

a. Leased, Rented or Borrowed Irrigation Equipment

We cover the risks of direct physical "loss" or damage caused by you and for which you are legally responsible, from any external cause except those causes of "loss" listed in the exclusions to irrigation equipment you may lease, rent or borrow from others, not to exceed \$25,000 in total for leased, rented or borrowed irrigation equipment which is not otherwise listed in the Schedule of Property shown on the Declarations. However, under the written terms and conditions of the lease, rental or loan agreement, you must be responsible for damage to such equipment.

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This Additional Coverage is available to you for 30 days. After 30 days you must report the acquisition of the equipment to us so that we may add the equipment to the Schedule of Property and make a premium charge.

Debris Removal

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.
- (2) The most we will pay under this Additional Coverage is \$25,000.

c. Fire Department Service Charges

- (1) We cover the charges you assume by contract or agreement executed prior to "loss", or charges you are required to pay by local ordinance if the local fire department is called to save or protect your covered irrigation equipment from direct physical "loss" or damage caused by or resulting from a Covered Cause of Loss.
- (2) The most we will pay under this Additional Coverage is \$10,000.

d. Pollution Clean Up and Removal

We will pay your expenses to extract "pollutants" from land, air, water or covered property at the insured's premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the "loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land, air, water or Covered Property.

The most we will pay under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss during each separate twelve (12) month period of this policy.

We will not pay, under this Additional Coverage, your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

5. Coverage Extension

The Limit of Insurance for the following Coverage Extension is included within the Limits of Insurance applicable to the irrigation equipment listed on the Declarations.

Newly Acquired Irrigation Equipment

If during the policy period you acquire additional irrigation equipment, we will cover such additional equipment for up to 60 days after you acquire it or until the policy ends, whichever is sooner. We will cover such additional equipment for up to:

- (1) 25% of the total Limit of Insurance shown on the Declarations; or
- (2) \$50,000, whichever is the least amount.

You agree to report the value of such equipment to us within the 60 day period and to pay additional premium from the date you acquire it.

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<#>Care, Custody or Control¶
We will cover your legal liability for damage to irrigation equipment owned by others, not leased, rented or borrowed by you, while located on property in your care, custody and control that occurs as a result of a Covered Cause of Loss. The most that we will pay for "loss" or damage under this coverage is \$25,000 subject to the Deductible, and all other policy provisions.¶
Care, Custody and Control coverage does not apply to owned leased, rented or borrowed irrigation equipment.

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EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

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a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

b. Nuclear Hazard

(1) Any weapon employing atomic fission or fusion; or

(2) Nuclear reaction or radiation or radioactive contamination from any other cause.

But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this coverage form.

c. War and Military Action

(1) War, including undeclared or civil war;

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(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

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(3) Insurrection, rebellion, revolution, usurped power or action taken by government authority in hindering or defending against any of these events.

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d. Pollution

The discharge, dispersal, seepage, migration, release or escape of "pollutants", except as provided in the Additional Coverages, **Section A.**, paragraph 4.d. above.

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2. We will not pay for a "loss" caused by or resulting from:

a. Delay, loss of use, loss of market or any other consequential loss;

b. Unexplained disappearance where there is no evidence of theft,

c. Shortage found upon taking inventory

d. Freezing, unless you drain the irrigation equipment and shut off the water supply.

e. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

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(1) Acting alone or in collusion with others; or

(2) Whether or not occurring during the hours of employment.

But this exclusion does not apply to property in the custody of a carrier for hire which is not a company you manage or own.

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3. We will not pay for a "loss" caused by or resulting from any of the following. But if a "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss" except if the "loss" results from a lack of reasonable maintenance.
- Gradual deterioration, wear and tear, hidden or latent defect, rust, corrosion, mold or any quality in the property which causes it to damage or destroy itself; or
 - Rust, oxidation, discoloration or corrosion.

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C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown on the Declarations.

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The most we will pay for any non-refundable extended warranty and maintenance or service contract is the pro-rated unused portion which may no longer be valid and that you have purchased on the property lost or damaged by a Covered Cause of Loss.

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D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Policy Conditions.

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1. Deductible

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We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limit of Insurance exceeds the deductible shown on the Declarations. We will then pay the amount of the adjusted "loss" in excess of the deductible, up to the applicable Limit of Insurance.

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2. Valuation

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- If the Limit of Insurance on the damaged Covered Property is at least 90% of its full replacement cost at policy inception we will settle the "loss" based on the smallest of the following amount:

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(1) The cost to replace the damaged part of the Covered Property with material of like kind and quality for like use;

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(2) The amount actually and necessarily spent to repair or replace the Covered Property; or

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(3) The applicable Limit of Insurance.

If you do not repair or replace the property lost or damaged by a Covered Cause of Loss, the irrigation equipment will be valued at actual cash value. Actual cash value is the amount it would cost to repair or replace with equipment of like kind and quality, less an allowance for depreciation and physical deterioration. However, if you replace or commence repair of such property within twelve (12) months from the date of "loss", we will pay you the difference between the actual cash value previously paid and the full cost to repair or replace such property.

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However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph (1) or (2) above applies.

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- b. If the Limit of Insurance on the damaged Covered Property is less than 90% of its full replacement cost at policy inception we will settle on the basis of paragraph (1) or (2) below, whichever is larger:

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- (1) The actual cash value, as of time of "loss", of the damage part of the Covered Property; or

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- (2) A proportion of the cost to repair or replace the damaged part of the Covered Property, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 90% of the cost to repair or replacement.

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However, we will not pay more than the applicable Limit of Insurance, regardless of whether paragraph (1) or (2) above applies.

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If this policy insures two or more items, this condition shall apply to each item separately.

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E. DEFINITIONS

1. "Loss" means accidental damage to Covered Property from a Covered Cause of Loss .
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Underground" means under the surface of the ground, including but not limited to, shafts, tunnels and mines.

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